

1 requirement, the fact that it has not be adequately tested with any high volume competitor  
2 continues to place serious doubts on Ameritech's ability to handle either the volumes  
3 generated by multiple competitors simultaneously or to support the highly sensitive  
4 response times required for this type of interface when dealing with on-line customer  
5 sales.

6  
7 **Q. What must Ameritech do to demonstrate that its pre-order interface is operationally**  
8 **ready?**

9 **A.** It must demonstrate that it is capable of providing acceptable response times while  
10 handling a high volume demand from multiple CLECs. These are the conditions of a  
11 competitive environment, and Ameritech must demonstrate that its pre-order interface is  
12 able to function under such conditions. While Ameritech continues to claim that this  
13 interface is both operationally ready and capable of ensuring operational parity with its  
14 retail operations, Ameritech cannot currently demonstrate the system's ability to handle  
15 either the volumes or the response times which will be required by large local service  
16 competitors such as AT&T or Sprint. None of the demonstrations or testing conducted  
17 to date have been able to verify that this interface will in fact provide the parity and  
18 responsiveness that Sprint's, AT&T's, and MCI's local market entry will demand. Sprint  
19 and Ameritech's Joint Implementation Team are currently working together to address  
20 these concerns and the parties have agreed to support joint interface testing that will  
21 determine Ameritech's ability to meet Sprint business needs.

1 It is important to note, however, that Sprint will probably not be the largest competitor  
2 requiring support from Ameritech, and the stress on this interface from multiple high  
3 volume users is the only way to ultimately determine if the interface is in fact capable of  
4 supporting local market entry at parity with Ameritech's retail operations. In the event  
5 that the interface cannot support the market's demands post-implementation, CLECs such  
6 as Sprint will suffer serious impacts to both their operations and customer service  
7 capabilities, which could ultimately bring their market entry to a screeching halt. Until  
8 this interface has been proven operationally capable of supporting timely responsiveness  
9 to high volume demand from multiple users, it can not be accepted as operationally ready  
10 and at parity with Ameritech's retail operations environment. Operational parity and non-  
11 discriminatory treatment must be verifiable by both this Commission and the CLECs  
12 actually offering service within the State of Illinois through specific sustainable ILEC  
13 performance measures obtained in an actual operating environment.

14 Many of the CLECs seeking to do business within Ameritech's operating region are  
15 working within the established industry forums to support the design and adoption of  
16 standards for local service processes which require electronic interfaces with the  
17 incumbent local exchange carriers. AT&T, Sprint, MCI, as well as several other  
18 industry players are working together to develop their business requirements for a Pre-  
19 Order interface. This proposal will be presented to the ECIC (Electronic Communications  
20 Committee) no later than second quarter 1997 for its evaluation.

1 Q. Does Sprint have any concerns regarding Ameritech's EDI service ordering  
2 interface?

3 A. Yes. The industry has adopted standards for service order processing; however, the latest  
4 version and guidelines that the majority of the major CLECs need to deploy are not  
5 currently being supported by Ameritech. Ameritech has deployed a hybrid of the TCIF  
6 Guidelines (Releases 5, 6 and 7) using EDI X12 Standard Transaction set Version 3030.  
7 Sprint, AT&T, and MCI recently met with Ameritech to address the business rules and  
8 implementation timelines for the Ameritech development and deployment of the latest  
9 service order processing standards, Version 3050 utilizing TCIF Guidelines - Release  
10 7. Release 7 is the first EDI version actually defined for local competition. While Sprint  
11 would prefer to develop a single EDI service order interface based on Local Service  
12 Ordering Guidelines (LSOG) SR STS-471070, Issue 1, published December 2, 1996 and  
13 Customer Service Guidelines, Issue 7 (EDI) that could then be customized to interface  
14 with each of the RBOCs, the fact that Ameritech has already developed its interface  
15 based on more customized specifications and is currently deploying this interface with  
16 multiple CLECs forces Sprint to take a more interim approach to service order  
17 processing in the Ameritech region. The results of both AT&T's and MCI's service order  
18 processing, per testimony previously filed by both these companies, indicate some basic  
19 gaps in understanding Ameritech's business rules and editing criteria. Ameritech has  
20 agreed to support Sprint's need for documentation in this area so that Sprint may attempt  
21 to avoid the same magnitude of processing/editing problems currently being experienced

1 by both AT&T and MCI. This same type of documentation is being requested by all the  
2 major carriers as Ameritech approaches modification of its interface to support the  
3 LSOG and Issue 7 standards. Due to the late provision of Ameritech's new ordering  
4 guidelines, filed and released to the CLECs for the first time as part of this proceeding,  
5 Sprint has not had adequate opportunity to review the content of these six binders for  
6 their potential use and application.

7  
8 **Q. What are Sprint's concerns with Ameritech's interface for maintenance and repair?**

9 **A.** Ameritech's proposal for an application-to-application maintenance and repair interface  
10 is not currently being used by any of the CLECs operating within the Ameritech region,  
11 as admitted by Ameritech witness Joseph Rogers at pages 3-4 of his Supplemental Direct  
12 Testimony. Although Ameritech states that this interface is based on current industry  
13 standards, it is in fact an industry standard for exchanging repair and maintenance  
14 information related to access services that is not operational with all IXCs, including  
15 Sprint. Moreover, the maintenance and repair processes involved in local service, both  
16 resale and through the purchase and provisioning of unbundled elements, vary  
17 significantly from the access arena. It will be essential that all ILECs upgrade this  
18 interface to a specification, still under development by the ECIC, designed to support  
19 true bi-directional, "agent-to-agent" communication before this interface can truly be  
20 considered capable of supporting local service. Even with the enhancements to this  
21 interface in place, there is still a question regarding the flow-through of information to

1 the Ameritech service technician. At this time, it is not known whether all the critical  
2 information passed by the CLEC to Ameritech will actually make it all the way through  
3 Ameritech's internal systems to the service technician responsible for handling the repair.  
4 This is crucial for parity in support between the CLEC end users and Ameritech's retail  
5 customers. The critical elements essential to deploying this solution have not yet been  
6 finalized. While an "electronically bonded" solution is critical to the development of a  
7 sustainable maintenance and repair process, the timeline for finalizing the development  
8 and deployment of these enhancements has not been determined.

9  
10 It is important to realize that this is the only solution, other than verbal telephone contact  
11 or paper fax to Ameritech's Wisconsin CLEC Service Center, being offered to the  
12 CLECs by Ameritech. The timeframe for resolving these outstanding concerns, plus the  
13 cost of implementation, make this a crucial barrier to market entry for any high volume  
14 competitor. As with all components of the operational implementation plan, there must  
15 be established procedures for reporting performance levels, providing status of customer  
16 impacting issues, as well as a formal escalation process for issues that are not handled  
17 in accordance with performance levels established to ensure parity with Ameritech's  
18 service to its own end users.  
19

1 Q. Does Ameritech's proposed interim solution for maintenance and repair interface  
2 meet its obligations under Section 271?

3 A. No. The manual solution being supported by Ameritech as an interim solution, i.e. verbal  
4 telephone contact or paper fax contact to Ameritech's Wisconsin CLEC Service Center,  
5 is an unacceptable solution to Sprint. This manual process allows no timely feedback  
6 regarding the status of problem identification and resolution, critical to quality customer  
7 service. In the event that the service problem is not within Ameritech's network,  
8 immediate notification is essential to the timely deployment of Sprint's own service  
9 technicians. Any additional delay further impacts an end user whose service problem  
10 has still not been resolved, especially when it requires duplicate dispatching of service  
11 technicians to the customer's premises. Sprint has repeatedly expressed its concerns to  
12 Ameritech but no solution has been proposed as yet. In Mr. Rogers' Supplemental Direct  
13 Testimony at page 6, he once again indicates that Ameritech is working with CCT to  
14 implement an alternative Graphical User Interface ("GUI"). Sprint has previously  
15 proposed the development and implementation of a GUI for resolution of this critical  
16 problem, however, Ameritech has never presented this alternative to Sprint. Many of the  
17 RBOCs, including PAC Bell and NYNEX, are deploying GUIs for local service  
18 maintenance and repair support. As previously stated for pre-order, if Ameritech has in  
19 fact developed GUI as an alternative maintenance and repair system with CCT, this  
20 interface and its specifications should have been discussed and made available to all  
21 CLECs attempting to enter the Ameritech local market. Communicating the availability

1 of business solutions to any one carrier earlier than the others demonstrates preferential,  
2 discriminatory, and anti-competitive treatment. Sprint can not effectively enter the local  
3 market within the Ameritech region until an acceptable maintenance and repair reporting  
4 solution is tested and deployed.

5  
6 **Q. What other concerns with Ameritech's electronic interfaces have you discovered?**

7 **A.** The CLECs seeking to do business within Ameritech's operating region are working  
8 within established industry forums to support the design and adoption of standards for  
9 local service processes which require electronic interfaces with the incumbent local  
10 exchange carriers. While several carriers may be actively working with Ameritech to  
11 understand its specifications and either influence the adoption by the industry of these as  
12 acceptable standards or design software solutions to meet these interfaces as "customized"  
13 solutions, these systems cannot be tested for parity in performance and assumed to meet  
14 the FCC checklist requirements until they have been adequately tested and deployed.  
15 Ameritech's customized development of electronic interfaces has actually resulted in the  
16 CLECs having to dedicate additional resources, both dollars and personnel, to develop  
17 an understanding of Ameritech business rules, interface specifications, and operational  
18 procedures which ultimately results in lost dollars and opportunity for all CLECs  
19 attempting to enter the local service market on a national basis. Ameritech's focus has  
20 been on expediting its own ability to gain access to the interLATA market rather than  
21 on facilitating real local competition within its region. What you see at this critical point

1 and what you will actually get in a real competitive operating environment are not  
2 necessarily the same. Once Ameritech gains in-region interLATA certification, it will  
3 no longer have the same incentive to resolve the problems its competitors are having in  
4 entering the local market. As a case in point, the Unbundling Service Ordering Guides  
5 and the Resale Services Ordering Guide, referenced in both Mr. Rogers' (page 7) and  
6 Mr. Meixner's (pages 4 through 8) Supplemental Direct Testimony, were not provided  
7 to Sprint in any manner other than as supporting documentation in this proceeding. This  
8 information had previously been requested by Sprint for both the resale and unbundled  
9 processes, in an effort to gain enough understanding of Ameritech's business processes  
10 to develop an effective electronic interface solutions. The timing and method of  
11 providing this information indicates that the guides were not developed to meet the needs  
12 of their CLECs customers, but in support of Ameritech's 271 applications. Since this  
13 is the second Illinois hearing in less than four months regarding Ameritech's checklist  
14 compliance, it would appear that time and resources could be better spent by all parties  
15 if the focus was on actually giving Illinois consumers a "real" competitive choice for the  
16 provision of their local service rather than continuing the burdensome task of re-  
17 evaluating Ameritech's OSS functionality that has not significantly changed since early  
18 January. These same interfaces were evaluated by the Wisconsin Public Service  
19 Commission, which very quickly determined that Ameritech could not prove either the  
20 reliability of the interfaces or their parity to Ameritech's retail service. Wisconsin is  
21 currently developing a list of criteria that Ameritech must be able to meet/demonstrate



1 before it can again request a hearing from that Commission on the compliance of its OSS  
2 systems with the checklist requirements, thereby avoiding the continued waste of time and  
3 resources better utilized in supporting the introduction of true local service competition.  
4

5 **Q. What is required of Ameritech to provide parity of access to its OSS interfaces?**

6 **A.** In order to establish parity of access, Ameritech must demonstrate that its OSS interfaces  
7 provide: (1) equivalence of information availability; (2) equivalence of information  
8 accuracy; and (3) equivalence of information timeliness. Ameritech has apparently  
9 agreed with this definition of parity since it has agreed to measure its performance for  
10 these exact parameters both in previously filed testimony, as well as in contracts with  
11 both AT&T and Sprint. Equivalent information availability means that Ameritech must  
12 deliver to the CLEC, to no lesser a degree than it does for its own operations, all data  
13 necessary to support a specific transaction. Equivalent information accuracy requires that  
14 the information exchange pass three critical tests: (1) it must comply with an agreed-  
15 upon data format and structure, documented and clearly understood by both/all parties  
16 to the transaction; (2) there must be agreed-upon business rules for interaction between  
17 the parties; and (3) there must be demonstrated end-to-end transaction integrity, including  
18 load capacity testing. An interface that operates satisfactorily at low volume but chokes  
19 under a volume or capacity test designed to mirror an actual operational environment with  
20 potentially high market volumes, or when processing input from multiple CLEC entry  
21 points simultaneously, will place all new entrants at a distinct competitive disadvantage

1 relative to Ameritech. Ameritech does not utilize these proposed interfaces for its own  
2 local service provisioning today and it has not yet proven its ability to provide  
3 operational parity to its competitors.  
4

5 **Q. Do Ameritech's systems satisfy the parity requirements under the**  
6 **Telecommunications Act of 1996?**

7 **A.** No. The systems proposed by Ameritech do not meet these parity tests because they are  
8 not currently deployed for widespread CLEC use. Any use of these interfaces has been  
9 limited at best and the majority of them have been undergoing design changes throughout  
10 1996 and the 1<sup>st</sup> quarter of 1997. All the specifications that have been provided to Sprint  
11 have dealt with total service resale and no specifications or implementation meetings  
12 have been held between Ameritech and Sprint to address the ordering and provisioning  
13 of unbundled elements.  
14

15 Per Ameritech's testimony and the unbundled service ordering guides it recently provided  
16 in this docket, Ameritech plans to use the existing ASR (access service request) format  
17 and access billing systems for ordering and provisioning of unbundled elements. These  
18 systems and processes were designed for access purposes and are not the industry's  
19 recommended solution for ordering and provisioning of local unbundled elements.  
20 While Ameritech may in fact be using these systems for interface with some  
21 CLECs/CAPs today, the processes they support pre-date the 1996 FCC decisions and

1 were not designed to support unbundled elements as they are currently defined. Per  
2 Schedule 3 of Mr. Rogers' Supplemental Direct Testimony, Bellcore has offered to work  
3 with Ameritech to revise its processes and documentation to support the industry's Local  
4 Service Ordering Guidelines (LSOG) published on December 2, 1996, which are the  
5 current industry standards for local service requests (LSR). Ameritech must develop a  
6 timeline for implementation of these industry standards, as negotiated in our 1997  
7 interconnection agreement, prior to Sprint's implementation of facility-based services.  
8

9 Q. Do Ameritech's interfaces adhere to industry standards?

10 A. No. Ameritech's interfaces do not always adhere to industry standards. When systems  
11 are used for purposes other than those intended in their original design, they must be  
12 modified and/or refined to meet the new needs. Modifying and redefining systems that  
13 have previously been deployed and which are currently operational with other companies  
14 requires coordination of both the system design as well as the associated business rules.  
15 No company, including Ameritech, can arbitrarily redefine industry accepted standards  
16 without negatively impacting the users of these systems and interfaces. Contrary to  
17 Ameritech's contentions, its OSS interface solutions do not always adhere to industry  
18 standards, there are in fact numerous cases where Ameritech has essentially over-ridden  
19 industry standards and developed or imposed an Ameritech requirement or definition.  
20 Mr. Rogers' Supplemental Direct Testimony at page 9, is misleading when he indicates  
21 that Bellcore mapped Ameritech's specifications to industry guidelines and confirmed that

1 Ameritech's specifications accurately reflect industry guidelines for service ordering,  
2 billing and resale usage, trouble administration, end office integration, and unbundled  
3 loop provisioning. Ameritech's specifications were loosely developed based on industry  
4 standards for access service, not local service. For example, Ameritech utilized the  
5 Customer Service Guidelines, Issue 5 for mapping the population of the EDI records for  
6 their Electronic Service Ordering (ESO) Guideline, Version 3.2; although Ameritech  
7 references Issue 7 in its testimony, it did not in fact vote with the CLEC community to  
8 accept Issue 7 for deployment at the most recent industry meeting.

9  
10 If Ameritech utilized the Local Service Ordering Guidelines (LSOG) as a basis for the  
11 development of its service ordering functionality, it has not been able to share these  
12 concepts which might have reduced the number of rejects currently being experienced by  
13 CLECs testing this application. Ameritech's AEBS bill may be based on a CABS  
14 format but is in fact a separate billing system unique to Ameritech designed to support  
15 local resale services. As stated previously in my testimony, the industry standard  
16 enhancements required to make this access interface useable in the local service arena  
17 have not yet been finalized. The current standards for the ordering of unbundled  
18 elements should also be based on LSOG guidelines requiring the use of an LSR, not the  
19 ASR currently supported by Ameritech's interface. Ameritech's customized approach to  
20 systems development has complicated market entry for many of the CLECs who wish  
21 to enter the local market as national competitors.

1 Q. Does Ameritech's position on operational interfaces negatively impact Sprint's ability  
2 to enter the local market as a CLEC?

3 A. Yes. Sprint requires the development and deployment of industry standard electronic  
4 interfaces for access to ILEC operational systems. The FCC requires the ILEC to  
5 provide nondiscriminatory, automated operational support systems to enable new entrants  
6 access to pre-order, order, installation, provisioning, and repair services as well as the  
7 ability to assign numbers, monitor network stations (maintenance), and bill local service  
8 to their end user customers. Ameritech provided CLECs with specifications in 1996 for  
9 several interfaces intended to provide access into Ameritech's systems and processes;  
10 however, they are not industry standard interfaces. Sprint is currently reviewing  
11 Ameritech's specifications, as well as continuing to work with other CLECs and ILECs,  
12 in an effort to support the establishment of industry standards for interfaces that can be  
13 used across the country by all ILECs and competitors for effective local market entry and  
14 data exchange. Sprint cannot support the development of customized interfaces with each  
15 ILEC, as Ameritech has attempted. The time and resources required to support this type  
16 of ILEC-specific interface would be crippling to Sprint's market entry.

17  
18 Sprint requested and won an arbitration decision that guarantees Sprint the right, at least  
19 for an interim period, to interface with Ameritech using manual interfaces. At the time  
20 of our arbitration, we were not aware of how much of Ameritech's CLEC interfaces and  
21 internal procedures still relied on manual processes. Realizing that manual activity is both

1 burdensome and error-prone, Ameritech must develop and implement industry standard  
2 interfaces.

3  
4 **Q. How does Ameritech's customized approach complicate market entry?**

5 **A.** Developing and deploying multiple versions of operational interfaces will negatively  
6 impact market entry by requiring increased development cost and extended time lines  
7 simply to meet the customized solutions defined by Ameritech. True local competition  
8 will not exist until CLECs are able to consistently interface with ILECs in a consistent  
9 and nondiscriminatory manner.

10  
11 **Q. Do Ameritech's proposed operational interfaces meet Sprint's requirements as a**  
12 **CLEC?**

13 **A.** It is too early to tell. The mere fact that Ameritech has provided specifications for  
14 electronic interfaces does not guarantee that they actually work or that they will in fact  
15 provide parity in performance to Ameritech's internal systems. Timely access to  
16 customer information, service establishment, and trouble resolution will determine the  
17 ultimate success or failure of any competitor. Especially in a resale mode, the quality  
18 of the product that Sprint will be able to offer its end user customers is directly dependent  
19 on the quality of Ameritech's services. Actual implementation of operational interfaces  
20 between Sprint and Ameritech will be a complex and detailed procedure. Until  
21 Ameritech's proposed operational interfaces have been implemented and are actually

1 working in practice, Sprint will not know whether they meet Sprint's requirements or,  
2 for that matter, the requirements of the Act and the FCC.  
3

4 Q. Would you please summarize your testimony?

5 A. Until Ameritech's proposed operational interfaces have been implemented and are actually  
6 working in practice, it is impossible to determine whether Ameritech is providing  
7 performance parity or meeting the requirements of the Telecommunications Act of 1996.  
8 ILECs such as Ameritech currently have all the systems and support processes in place  
9 necessary to offer interLATA service and will be able to do so from the date they receive  
-10 in-region certification. There are multiple vendors ready and willing to provide the  
11 ILECS interLATA transport services at competitive rates. Unlike CLECs, the ILECs  
12 will not suffer the repercussions and delays involved in attempting to enter a monopoly  
13 market controlled by a single vendor. Supporting Ameritech's efforts to gain in-region  
14 certification before competition truly exists in the Illinois local market defeats the ultimate  
15 purpose of deregulation and may prevent the purpose of the 1996 Telecommunications  
16 Act from being fully realized.  
17

18 Q. Does this conclude your testimony?

19 A. Yes it does.  
20





BEFORE THE PUBLIC SERVICE COMMISSION OF WISCONSIN

Matters Relating to Satisfaction of  
Conditions for Offering InterLATA Service  
(Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin)

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Docket No. 6720-TI-120

TESTIMONY OF BETTY L. REEVES  
ON BEHALF OF  
SPRINT COMMUNICATIONS COMPANY L.P.

Testimony of Betty L. Reeves  
Sprint Communications Company, L.P.  
Page No. 2

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1 Q. Please state your full name and business address.

2 A. My name is Betty L. Reeves. My business address is 7301 College Blvd., Overland  
3 Park, KS, 66210.

4

5 Q. What is your position?

6 A. I am employed by Sprint as Director - Local Market Development.

7

8 Q. Please describe your educational background, work experience and present  
9 responsibilities.

10 A. I have an Associates in Business degree from Tyler Junior College and majored in  
11 Accounting at the University of Texas. I began my telecommunications career in 1973  
12 with United Telephone Company of Texas, a local division subsidiary of Sprint  
13 Corporation. After holding a variety of financial management positions, I assumed  
14 responsibility for managing United of Texas' revenue accounting functions in June of  
15 1979 and remained in that position until the company's merger with United Midwest  
16 Group in 1988. As Revenue Accounting Manager, I had responsibility for toll  
17 processing, end user and carrier access billing functions, as well as Interexchange  
18 Carrier and intraLATA toll settlements. With the merger, I transitioned into a  
19 regulatory/account management position with Midwest Group with primary  
20 responsibility for all companies/carriers operating within the Southwestern Bell region.  
21 In October of 1988, I joined Sprint Local Division's corporate staff as a Billing  
22 Services Manager, with responsibility for software development, billing contract  
23 negotiations, and development of standardized billing process and control functions  
24 across all local operating divisions. In May, 1992, I transferred to the Corporate

Testimony of Betty L. Reeves  
Sprint Communications Company, L.P.  
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1 Revenues department and assumed responsibility for managing the Local Division's  
2 billing and collections relationship with AT&T, including the establishment of a new  
3 work group dedicated to the project management of all electronic systems and  
4 operational processes impacting AT&T's incumbent local exchange carrier (ILEC) end  
5 user billing and collections requirements. With the passage of the 1996  
6 Telecommunications Act, I was charged with managing AT&T's request for local  
7 market entry in Sprint Corporation's Local Division's operating territory. In May,  
8 1996, I accepted responsibility for supporting the development and execution of  
9 Sprint's corporate strategy for local market entry in all states currently served by  
10 Ameritech.

11  
12 Q. What is the purpose and scope of your testimony?

13 A. I am presenting testimony on behalf of Sprint Communications Company L.P. (Sprint)  
14 in response to the Public Service Commission of Wisconsin's (Commission's)  
15 Amended Notice of Hearing issued on March 10, 1997. Toward the goal of offering  
16 local service in Wisconsin, Sprint is currently engaged in interconnection negotiations  
17 with Ameritech Wisconsin (Ameritech). I will testify about those interconnection  
18 negotiations, and specifically, will discuss elements or services that Ameritech will not  
19 agree to provide to Sprint. I will then describe why these elements or services are  
20 necessary in order for Sprint to be a competitor in the local service market in  
21 Wisconsin. This portion of my testimony will address Sprint's business case needs in  
22 response to Question 7 of the Commission's Amended Notice of Hearing.  
23 In addition, I will provide updated information, gathered in a recent meeting with  
24 Ameritech, concerning Sprint's efforts to interconnect with Ameritech Wisconsin's

Testimony of Betty L. Reeves  
Sprint Communications Company, L.P.  
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1 network. I will testify about the inadequacy of Ameritech Wisconsin's operations  
2 support system (OSS) functions and the interfaces which Sprint needs to access those  
3 functions in response to Question 9 of the Commission's Amended Notice of Hearing.  
4 Secondly, I will describe how Ameritech fails to satisfy its parity and performance  
5 obligations under the Telecommunications Act of 1996, particularly as those  
6 obligations relate to OSS in further response to Question 9.

7

8 *Question 7 - Other factual issues related to a potential filing by Ameritech for interLATA*  
9 *relief under Section 271.*  
10

11 Q. What is the current status of Sprint's negotiations with Ameritech for market  
12 entry within Wisconsin?

13 A. Sprint is currently engaged in negotiations with Ameritech for an interconnection  
14 agreement in Wisconsin. Sprint also has an arbitration pending against Ameritech in  
15 Wisconsin Docket Nos. 6055-MA-100; 6720-MA-105, which <sup>heard</sup> ~~was hearing~~ on  
16 December 3-4, 1996. However, an interconnection agreement between Sprint and  
17 Ameritech has yet to be approved by the Commission. Despite the pending arbitration,  
18 Sprint and Ameritech have continued their negotiations and have resolved some  
19 additional issues. On some issues, such as the interim prices for unbundled network  
20 elements, Sprint and Ameritech have agreed to be bound by the final decision in the  
21 Ameritech-AT&T arbitration. Nonetheless, there are still numerous disputed issues  
22 between Sprint and Ameritech that the parties are continuing to negotiate.

23

Testimony of Betty L. Reeves  
Sprint Communications Company, L.P.  
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- 1 Q. Does Sprint have any disputed issues with Ameritech that impact Sprint's ability  
2 to enter the local market in Wisconsin as a competitive local exchange company  
3 (CLEC)? If so, what are they?
- 4 A. Yes. During interconnection negotiations, Sprint requested that Ameritech permit it to  
5 interconnect with Ameritech's network by mixing traffic types (i.e., local, intraLATA,  
6 interLATA toll) on a single trunk group, known as a non-jurisdictional trunk group.  
7 Ameritech has refused to meet Sprint's requirement, but instead is forcing Sprint to use  
8 separate trunk groups for different types of traffic. In the Illinois Commerce  
9 Commission's Section 271 Investigation, Ameritech witness Gregory J. Dunny  
10 admitted that non-jurisdictional trunk groups are technically feasible and that the only  
11 problem Ameritech has identified with non-jurisdictional trunk groups is one of  
12 properly billing for the traffic. Illinois Commerce Commission Docket No. 96-0404,  
13 Tr. pp. 606-608. (Attachment 1). However, as Mr. Dunny acknowledged in his direct  
14 testimony in the Illinois Commerce Commission's Section 271 Investigation, and  
15 subsequently in a FCC affidavit, "In determining technical feasibility, Ameritech Illinois  
16 looks solely at technical or operational matters, and does not include consideration of  
17 economic, accounting, billing, space or site concerns...." Direct testimony of Gregory J.  
18 Dunny, Illinois Commerce Commission Docket No. 96-0404, Ameritech Exhibit 2, p.  
19 23; Affidavit of Gregory J. Dunny, CC Docket No. 97-1, p. 23, ¶ 47. (Attachment 2).  
20 Ameritech admits that, aside from the billing concerns (which Ameritech concedes are  
21 not relevant to a determination of technical feasibility) non-jurisdictional trunks are  
22 technically feasible. Thus, Ameritech's unreasonable refusal to accommodate Sprint's  
23 technically feasible request for non-jurisdictional trunks is simply a means for  
24 Ameritech to raise rivals' costs, and is contrary to the checklist requirements.

Testimony of Betty L. Reeves  
Sprint Communications Company, L.P.  
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1 Q. Should Ameritech be required to combine interLATA traffic and local  
2 intraLATA on the same trunk group?

3 A. Yes. Sprint is a diversified telecommunications carrier providing local, interexchange,  
4 and wireless services. Ameritech's refusal to support this interconnection request  
5 (combined traffic on a single trunk group) based on billing concerns and constraints  
6 does not meet the "technical feasibility" requirements as defined for interconnection.  
7 Prohibiting or delaying Sprint's ability to use multijurisdictional trunk groups, inflates  
8 Sprint's cost of local market entry as a facility based provider and reduces both Sprint's  
9 and Ameritech's network efficiency.

10

11 Q. What is the status of this issue?

12 A. Sprint and Ameritech negotiated language which was incorporated into all five state's  
13 Interconnection Agreements. Article 5, which supports the use of multi-jurisdictional  
14 trunk groups when Ameritech has the ability to measure and record all call detail  
15 sufficient to meet the billing and audibility requirements of the interexchange carriers.  
16 The parties have agreed to jointly support the deployment and testing of a vendor  
17 solution designed to accomplish this recording function as soon as one is available.  
18 Despite this contractual compromise, it is important to note that Ameritech continues  
19 to refuse to support this interconnection request until billing issues can be resolved  
20 despite Mr. Dunny's Illinois testimony that non-jurisdictional trunk groups are  
21 technically feasible and that issues such as billing are not relevant to meeting the test for  
22 technical feasibility as required by the FCC.

23

Testimony of Betty L. Reeves  
Sprint Communications Company, L.P.  
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1 Q. Are there other areas in which Ameritech has failed to provide Sprint with a  
2 service that Sprint needs to enter the local market?

3 A. Yes. Ameritech refuses to offer for resale promotions of less than 90 days. Every  
4 regulated Ameritech retail service rate, including promotions of less than 90 days,  
5 should be available for purchase by Sprint. Sprint is not requesting that promotions of  
6 less than 90 days be available at a wholesale discount, but only that they be available  
7 for resale at the retail rate. Ameritech refuses to offer for resale at any price  
8 promotions of less than 90 days. Ameritech's position hampers the ability of Sprint  
9 (and all other CLECs who enter the market through resale) to make competitive  
10 service offerings available to potential customers in Wisconsin. As a result, the  
11 development of local competition may be impeded.

12 The Act allows only reasonable restrictions on resale, such as the resale of residential  
13 service to business customers. The Act further prohibits all local exchange carriers  
14 from imposing unreasonable or discriminatory conditions or limitations on the resale of  
15 its services. Short-term promotions of less than 90 days are not subject to resale at a  
16 wholesale discount rate, but they should still be available to resale customers/CLECs at  
17 the same rate offered to other end user customers. Otherwise, Ameritech would be  
18 able to offer promotional rates to customers that could not be met by any CLEC  
19 providing service on a resale basis. ~~Ameritech has further attempted to impose resale~~  
20 ~~restrictions by prohibiting purchase of resale services for official use by Sprint and its~~  
21 ~~employees. This restriction on resale, as proposed by Ameritech, is not permitted by~~  
22 ~~the Federal Telecommunications Act. Sprint's intention would be that the majority of~~  
23 ~~lines purchased from Ameritech would be for resale; however, some of these lines~~  
24 ~~could in fact be used to establish customer service and sales facilities. The percentage~~

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1 of lines that Sprint would intend to reuse would be insignificant and a separate process  
2 for ordering and accounting for these lines would be unnecessary and burdensome.

3 Sprint has reasonably proposed to Ameritech that it should be able to purchase  
4 short-term promotions of less than 90 days at least at the retail rate. Without this,  
5 Sprint will not be competitive with Ameritech and the agreement will impose resale  
6 restrictions not contemplated by the Act. Ameritech has unconvincingly argued  
7 that it should not be forced to offer Sprint short-term promotions at retail rates  
8 because this would discourage marketing and sales-based competition.

9 Under the Act, only reasonable restrictions on resale, such as the resale of  
10 residential service to business customers, are contemplated. (See § 251(c)(4)(B).)

11 This is not a reasonable restriction because it negatively impacts competition.

12 Moreover, nothing in the FCC Order prohibits Sprint's demand to resell  
13 Ameritech's promotional offerings at the retail rate.

14 ~~The true~~ True issue here is whether the FCC intended to prohibit the resale of ILEC

15 promotional services of 90 days' or less duration. ~~Ameritech's cited paragraphs of~~

16 the FCC order illustrate that prohibition of resale was not on the FCC's mind, but

17 rather what rate the ILEC can charge the CLEC for promotional services. In fact,

18 the often-quoted paragraph 949 actually deals with "whether all short-term

19 promotional prices are 'retail rates' for purposes of calculating whole rates

20 pursuant to section 252(d)(3)." "We...conclude that short term promotional prices

21 do not constitute retail rates for the underlying services and are thus not subject to

22 the wholesale rate obligation." FCC Order, para. 949 (emphasis added).



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1 Accordingly, Ameritech's attempt to tie these provisions of the FCC Order to a  
2 obligations to offer services for resale under section 251(b)(1) of the Act simply do  
3 not apply.

4 Ameritech has overstated any potential competitive advantage to Sprint, especially  
5 in light of the fact that Sprint proposes to buy the services at the same promotional  
6 rate Ameritech charges its end users. At best, Sprint could resell those services at  
7 the same price as Ameritech without recovering any profit on the service. While  
8 this would allow Sprint to compete with Ameritech on price, it would not be  
9 without hardship to Sprint, because Sprint will be unable to apply the proceeds of  
10 the sale towards its overhead, other than to pay for the purchase of the service  
11 from Ameritech.

12 In conclusion, it would be unreasonable and a barrier to competition for Ameritech  
13 to be permitted to withhold promotion offerings of less than 90 days duration from  
14 resale. Sprint is not asking that Ameritech further discount its promotional rates;  
15 sprint is only requesting that it be charged the same promotional rate as Ameritech  
16 charges its end-users. Such a result is necessary for the development of full and  
17 fair competition in Wisconsin, while the result sought by Ameritech could easily  
18 lead to retention of a monopoly market share by Ameritech through the elimination  
19 of competition by new entrants.

20  
21 Q. Is Ameritech's refusal to allow Sprint to purchase promotional offerings of  
22 less than 90 days currently impacting Sprint's ability to enter the local